

BILL 19-73 “SOME, Inc. and Affiliates Transfer and Recordation Exemption and Equitable Tax Relief Act of 2011”

**Before the
Committee on Finance and Revenue**

The Honorable Jack Evans, Chairman

**March 16, 2011, 1:00 PM
John A. Wilson Building, Room 120**



**Testimony of
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Assistant General Counsel
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**Natwar M. Gandhi
Chief Financial Officer
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Good morning Chairman Evans and members of the Committee on Finance and Revenue. I am Bazil Facchina, Assistant General Counsel, for the Office of Tax and Revenue. I am pleased to present testimony on Bill 19-73, “SOME, Inc. and Affiliates Transfer and Recordation Exemption and Equitable Tax Relief Act of 2011.”

In general, the Bill would amend existing laws to provide transfer and recordation tax relief to SOME, Inc., Affordable Housing Opportunities, Inc. or entities controlled by either of them. The bill would allow certain specified properties to be transferred among these entities without payment of these taxes. Although these properties have already been exempted from real property taxation by specific legislation (D.C. Official Code §§ 47-1078 and 47-1084), such exemptions do not automatically confer exemption from transfer and recordation taxes. Moreover, none of the exemptions currently provided in the transfer and recordation tax statutes would apply to these transfers. As a result, the only way that these transfers can be relieved of the obligation to pay transfer or recordation tax is by the enactment of this Bill.

Thank you, Chairman Evans, for the opportunity to comment on this bill. I would be happy to answer any questions at this time.